

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

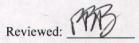
Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

Inspection Report Minerals Regulatory Program

June 13, 2013



Mine Name: Daneros	Permit Number: M/037/0126 Inspection Date: 6/13/2013 Time: 10:00a	
Operator Name: Energy Fuels Resources		
nspector(s): M. Bradley, W. Western, A. Abate		
Other Participants: Ted McDougall, Andrea Reither, Ryan Ellis, plus other EFR personnel	Mine Status: In LMO NOI process	

Elements of Inspection	Evaluated	Comment	Enforcemen ⁻
1. Permits, Revisions, Transfer, Bonds			
2. Public Safety (shafts, adits, trash, signs, highwalls)	$\overline{\boxtimes}$		
3. Protection of Drainages / Erosion Control	$\overline{\boxtimes}$		
4. Deleterious Material	$\overline{\boxtimes}$	$\overline{\boxtimes}$	
5. Roads (maintenance, surfacing, dust control, safety)			
6. Reclamation			
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts)			
8. Soils	$\overline{\boxtimes}$		
9. Revegetation			

Bond Amount: \$81,120 as SMO Bond Renewal Date: 07/30/2013 Permit fee: paid

Purpose of Inspection: Pre-NOI approval & site familiarization. Site is transitioning from SMO (S/037/0121) to LMO (M/037/0126)

Inspection Summary: Tour of site with EFR personnel in process of doing EIS for BLM and NOI with DOGM. Discussed locations of DRA's (Development Rock Areas), drainage controls, access roads, locations of existing sealed portals (Daneros, Bullseye and South Portal), and other facility locations. Need revised vegetation survey to identify species on site. Every effort should be made to salvage top soil from impact areas prior to mining.

Photos were taken to document site conditions.

Conclusions and Recommendations: Revise NOI submittal to address issues discussed on site. NOI comments have been sent to Energy Fuels.

Inspector's Signature

MPB:eb

cc: Frank Filas, Energy Fuels Resources ffilas@energyfuels.com Ted McDougall, BLM, tmcdouga@blm.gov

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Photo 1 – Main portal area



Photo 3 – View toward existing disturbance from South Portal area

Photo 2 – Main Bullseye Canyon drainage



Photo 4 – Existing Development Rock areas from Bullseye Portal

